

BEGIN - DECEMBER 30, 1958

30.24- 5689

A78

(270)

BY CARVEN HUDGINS

LONDON, DEC. 30 (AP)-WORLD BANK PRESIDENT EUGENE BLACK LEAVES LONDON FOR CAIRO TOMORROW TO ACT AS INTERMEDIARY IN ATTEMPTS TO HEAL THE BRITISH-EGYPTIAN BREACH OVER THE 1956 INVASION OF THE SUEZ.

A BRITISH TREASURY SPOKESMAN SAID BOTH THE BRITISH AND EGYPTIAN GOVERNMENTS HAD ASKED BLACK TO WORK WITH THEM AND THE AMERICAN HAD AGREED.

BLACK HIMSELF DECLINED TO COMMENT ON HIS GOOD OFFICES MISSION TO EGYPT BUT SAID HE MIGHT HAVE SOMETHING TO SAY BEFORE LEAVING FOR CAIRO.

HE WAS TO MEET LATER TODAY WITH BRITISH CHANCELLOR OF THE EXCHEQUER DERICK HEATHCOAT AMORY.

BRITISH-EGYPTIAN TALKS HAVE BEEN GOING ON INTERMITTENTLY SINCE LAST MAY IN AN ATTEMPT TO FIND A SOLUTION TO FINANCIAL CLAIMS AND COUNTER-CLAIMS GROWING OUT OF THE BRITISH-FRENCH INVASION.

BASICALLY THE TALKS INVOLVE BRITAIN'S DEMAND FOR COMPENSATION FOR BRITISH INDUSTRIES SEIZED BY EGYPT AND EGYPTIAN DEMANDS THAT BRITAIN RELEASE ACCOUNTS FROZEN IN LONDON.

EGYPT'S BLOCKED STERLING BALANCES IN LONDON ARE BELIEVED TO TOTAL ABOUT 100 MILLION POUNDS (280 MILLION DOLLARS). THE VALUE OF BRITISH HOLDINGS SEIZED IN EGYPT HAS BEEN ESTIMATED UNOFFICIALLY AT 125 MILLION POUNDS (350 MILLION DOLLARS).

IF BLACK'S MISSION TO CAIRO IS SUCCESSFUL, IT PROBABLY WOULD PAVE THE WAY TO A RESUMPTION OF DIPLOMATIC RELATIONS BETWEEN EGYPT AND BRITAIN.

ANOTHER EFFECT OF SUCCESSFUL MEDIATION WOULD BE AN IMPROVED ATMOSPHERE FOR RESUMING NORMAL BRITISH-EGYPTIAN TRADE RELATIONS.

A FORMIDABLE OBSTACLE TO THE REOPENING OF BRITISH-EGYPTIAN FINANCIAL TALKS, BROKEN OFF IN ROME LAST SEPTEMBER, WAS REMOVED DEC. 18 WHEN THE SHELL OIL CO. AND EGYPT AGREED ON SEIZED SHELL PROPERTIES.

FRANCE, BRITAIN'S PARTNER IN THE SUEZ INVASION, ALREADY HAS REACHED AGREEMENT WITH EGYPT ON A SETTLEMENT OF DISPUTES ARISING OUT OF THAT ACTION. LAST AUGUST, FRANCE AGREED TO PAY EGYPT 560 MILLION DOLLARS COMPENSATION FOR DAMAGE DONE DURING THE 1956 LANDINGS AT PORT SAID.

BRITAIN MAY BE READY NOW TO MODIFY HER EARLIER REFUSALS TO ADMIT RESPONSIBILITY FOR FINANCIAL CLAIMS GROWING OUT OF THE MILITARY OPERATIONS IN EGYPT.

G4HW833AES

A163

LONDON, DEC. 30 (AP)-PAUL ROBESON, THE AMERICAN SINGER, AND HIS WIFE ARRIVED TODAY IN MOSCOW TO START A MONTH'S STAY IN THE SOVIET UNION, MOSCOW RADIO SAID.

SF1256PES

A87 260

PARIS, DEC. 30 (AP)-THE CABINET SET UP A NEW NATIONAL DEFENSE COMMITTEE TODAY UNDER PRESIDENT-ELECT CHARLES DE GAULLE TO ASSURE COORDINATION BETWEEN CIVILIAN MINISTERS AND MILITARY LEADERS.

WHEN DE GAULLE RELINQUISHES THE PREMIERSHIP TO BECOME PRESIDENT JAN. 8 HE ALSO BECOMES COMMANDER IN CHIEF OF THE ARMED FORCES, AS IN THE UNITED STATES. THE DECREE ASSURES THAT THE PRESIDENT WILL KEEP NATIONAL DEFENSE UNDER HIS CONTROL.

THE DECREE ALSO PROVIDES FOR A SUCCESSION TO THE MILITARY COMMAND IN THE EVENT A NUCLEAR ATTACK KNOCKED OUT THE GOVERNMENT HEAD. THE PREMIER OR OTHER MINISTERS WOULD SUCCEED THE PRESIDENT AS COMMANDER IN CHIEF.

THE NEW NATIONAL DEFENSE COMMITTEE TO BE HEADED BY THE PRESIDENT IS PROVIDED FOR IN THE FRENCH CONSTITUTION ADOPTED LAST SEPT. 28.

DE GAULLE WILL PRESIDE OVER A COMMITTEE INCLUDING THE PREMIER, DEFENSE MINISTER, FOREIGN MINISTER, FINANCE MINISTER AND INTERIOR (POLICE) MINISTER.

INFORMATION MINISTER JACQUES SOUSTELLE TOLD NEWSMEN THAT THE DEFENSE COMMITTEE PROVIDES A PERMANENT ORGANIZATION IN PEACE AS WELL AS IN WAR.

"THE THREAT (OF WAR) BEING PERMANENT, THE ORGANIZATION OF OUR DEFENSE MUST ALSO BE PERMANENT," HE SAID.

NOTING THAT AGGRESSION COULD ALSO BE INTERNAL AND SUBVERSIVE, SOUSTELLE SAID IT WAS IMPERATIVE TO ASSURE COORDINATION BETWEEN CIVILIAN MINISTERS AND THE MILITARY LEADERS.

THE DECREE ALSO PROVIDES FOR REGIONAL CIVILIAN AND MILITARY CO-OPERATION IN DEFENSE MATTERS.

THE CABINET MEETING GOT DOWN TO OTHER MATTERS THAT HAD PILED UP DURING THE LONG DISCUSSIONS LEADING UP TO THE DEVALUATION OF THE FRANC AND FAR REACHING FINANCIAL REFORMS OVER THE WEEK END.

FOREIGN MINISTER MAURICE COUVE DE MURVILLE OUTLINED THE CONTENTS OF THE FRENCH NOTE WHICH WILL BE SENT TO MOSCOW TOMORROW REJECTING SOVIET PRESSURES ON BERLIN.

THE FRENCH NOTE IS IN GENERAL AGREEMENT WITH SIMILAR NOTES TO BE SENT BY BRITAIN, THE UNITED STATES, AND WEST GERMANY IN REPLY TO NOTES FROM SOVIET PREMIER NIKITA S. KHRUSHCHEV.

WD922AES

A163 (900)

(AGENCIES OUT)

AP FOREIGN SERVICE ADVANCE FOR AMS OF WEDNESDAY DEC. 31

COMMON MARKET--III

EDITOR'S NOTE--THIS IS THE LAST OF THREE ARTICLES APPRAISING THE POSSIBLE EFFECTS OF THE REVOLUTIONARY EUROPEAN COMMON MARKET WHICH IS TO COME INTO EFFECT TOMORROW.

-DASH-

BY DAVID MASON

(ADVANCE) PARIS, DEC. 30 (AP)-THE SOUND OF NEW YEAR'S EVE REVELRY IN EUROPE MAY ECHO LONG IN THE EARS OF DETROIT AUTO WORKERS, BRITISH INDUSTRIALISTS AND BRAZILIAN COFFEE PLANTERS.

A QUIET BUT SIGNIFICANT REVOLUTION IN EUROPEAN TRADE IS STARTING JAN. 1 AMONG "LITTLE EUROPE'S" 168 MILLIONS -- CUSTOMERS TO MERCHANTS AROUND THE WORLD.

SIX NATIONS FINALLY WILL FUSE INTO A TIGHTLY KNIT, LARGELY SELF-RELIANT UNIT, RANKING CLOSE TO THE UNITED STATES, THE BRITISH COMMONWEALTH AND THE SOVIET BLOC.

THESE, AT LEAST, ARE THE PLANS INSCRIBED IN THE TREATY OF ROME CREATING THE EUROPEAN ECONOMIC COMMUNITY, EMBRACING WEST GERMANS, FRENCHMEN, DUTCHMEN, ITALIANS, BELGIANS AND LUXEMBOURGERS.

WHAT IS THE COMMON MARKET'S MEANING FOR THE REST OF THE WEST AND THE COMMUNIST EAST?

THE FULL RESPONSE OBVIOUSLY CAN'T BE SPELLED OUT NOW NOR PROBABLY NOT FOR ANOTHER DECADE. BUT HERE ARE SOME STUDIED INDICATIONS:

U.S. COMMERCIAL ATTACHES AND BUSINESSMEN'S MISSIONS HAVE CRISSCROSSED EUROPE IN RECENT MONTHS IN AN EFFORT TO PREPARE AMERICAN INDUSTRY FOR JAN. 1 AND AFTERWARD. THEIR PRELIMINARY STUDIES SHOW ESSENTIALLY THAT DEEP ADJUSTMENTS WILL HAVE TO BE MADE DURING THE 12-15 YEAR COMMON MARKET TRANSITION PERIOD. BUT IN THE LONG RUN, AMERICAN SHOULD PROFIT FROM A SOUNDER EUROPE ECONOMICALLY. CONSEQUENTLY, POLITICALLY, THE WEST IN GENERAL UNDER U. S. LEADERSHIP SHOULD LOOK FORWARD TO A STRONGER FRONT AGAINST COMMUNIST ECONOMIC AND IDEOLOGICAL PENETRATION.

IN THE OPENING STAGES, LITTLE EUROPE WILL CALL LESS FOR MANUFACTURED GOODS--AUTOMOBILES, HOUSEHOLD APPLIANCES, TYPEWRITERS. AS EUROPEAN INDUSTRY BUILDS UP ITS MASS PRODUCTION FACILITIES, TURNING OUT MORE, BETTER AND CHEAPER PRODUCTS, THERE WILL BE A GREATER CALL FOR U. S. CAPITAL GOODS, RAW MATERIALS AND KNOWHOW.

FEARS OF COMMON MARKET REPERCUSSIONS HAVE ECHOED ACROSS FROM SOUTH AMERICA. THE ROME TREATY KNOCKS TRADE BARRIERS NOT ONLY FROM THE SIX CONTINENTAL NATIONS, BUT FROM THEIR WIDESPREAD AFRICAN POSSESSIONS WHICH PRODUCE ITEMS IN DIRECT COMPETITION WITH SOUTH AMERICA. BRAZIL, FOR INSTANCE, IS HIGHLY WORRIED THAT THE BOTTOM WILL FALL OUT OF HER EUROPEAN COFFEE MARKET.

LITTLE EUROPE'S ANSWER IS THAT IN THE LONG RUN HER PURCHASING POWER AND DEMANDS WILL INCREASE AND SOUTH AMERICA WILL CONSEQUENTLY BENEFIT.

AN EXECUTIVE OF A LEADING U. S. AUTO FIRM BELIEVES MOTOR VEHICLE EXPORTS FROM THE UNITED STATES WILL DWINDLE TO VIRTUALLY NOTHING. J. S. CAR BUILDERS WILL PAY UP TO 30 PER CENT DUTY TO SELL IN BELGIUM, HOLLAND AND THE NETHERLANDS AFTER THE COMMON MARKET TRANSITION PERIOD. SMALLER EUROPEAN CARS WHICH CONSUME LESS EXPENSIVE GASOLINE, WILL SPEED IN FROM FRENCH, WEST GERMAN AND ITALIAN ASSEMBLY PLANTS.

PART OF THE SOLUTION TO THE U. S. AUTO MAKERS' PROBLEM HAS ALREADY BEEN FOUND AND IMPLEMENTED: ESTABLISHMENT OF FACTORIES AND ASSEMBLY PLANTS WITHIN THE SIX-NATION COMMON CUSTOMS BARRIER.

THIS HOPPING-THE-LINE SOLUTION POINTS THE WAY TO OTHER U. S. INDUSTRIES. SO DOES AN INCREASE IN LICENSING EUROPEAN FIRMS TO MAKE U. S. PRODUCTS.

AS AUTOMATION SPREADS TO EUROPEAN INDUSTRY, THERE MAY BE AN INCREASED DEMAND FOR U. S. METAL WORKING MACHINERY AND MACHINE TOOLS.

U. S. AND BRITISH AIRCRAFT BUILDERS MAY FACE HEAVY COMPETITION FROM A POSSIBLE COMBINATION OF FRENCH AND WEST GERMAN PRODUCTION.

FUNDAMENTALLY, A U. S. GOVERNMENT COMMERCIAL EXPERT SAID, U. S. INDUSTRIAL LEADERS DO NOT FEAR THE COMMON MARKET, BUT LOOK TO IT AS A CHALLENGE AND AN OPPORTUNITY. AS STANDARDS OF LIVING AND BUYING POWER RISE IN EUROPE, THEY EXPECT GREATER DEMANDS FOR U. S. PRODUCTS, DESPITE TARIFFS.

SINCE THE MARSHALL PLAN HELPED PULL EUROPE OUT OF ITS POSTWAR SLUMP, ANYTHING WHICH WILL LEAD TO A STRONGER ECONOMIC BASE FOR EUROPE HAS HAD STRONG U. S. OFFICIAL SUPPORT. THE COMMON MARKET, IF IT DEVELOPS AS EXPECTED, SHOULD BE THE RIGHT KIND OF MEDICINE, THE U. S. FEELS.

ON THE OTHER HAND, THE COMMON MARKET HOLDS FEARS FOR BRITAIN, THE SCANDINAVIAN COUNTRIES, SWITZERLAND, AUSTRIA AND OTHERS. THEY MAKE UP THE 11 NATIONS WHICH HAD HOPED TO SUPPLEMENT THE COMMON MARKET WITH THE BRITISH-CONCEIVED FREE TRADE AREA (FTA).

LAST MONTH, THE FTA WENT DOWN UNDER BITTER RESISTANCE FROM THE FRENCH. THE FRENCH SEE THE FTA AS AN ATTEMPT BY THE BRITISH TO BURY THE COMMON MARKET. AS PROMOTED BY THE BRITISH PAYMASTER GENERAL REGINALD MAUDLING IN A TWO-YEAR NEGOTIATING MARATHON, THE FTA AREA WOULD BE A LOOSE ASSOCIATION OF 17 NATIONS, DEDICATED TO LIBERALIZING EUROPEAN TRADE. BUT WITHIN A FRAMEWORK OF FREER INTERNATIONAL COMMERCE.

THE FRENCH, WHO WITHIN THE COMMON MARKET HAVE TAKEN A BIG STEP TO REVERSE THEIR LONG PROTECTIONIST TRADITION, CANNOT CONCEIVE OF TAKING THE PLUNGE INTO FTA WITHOUT RIGID EXTERNAL TARIFF CONTROLS AND A HARMONIZATION OF INTERNAL COMPETITIVE CONDITIONS. THEY ACCUSE THE BRITISH OF WANTING THE BEST OF TWO WORLDS: ITS COMMONWEALTH PREFERENCE SYSTEM AND FREER ACCESS TO CONTINENTAL EUROPE. MAUDLING RESPONDS THAT ONLY WITH GENERAL FREE TRADE CAN THE WEST FACE UP TO COMMUNISM. WITH THE COMMON MARKET GOING AHEAD AND THE FTA AT LEAST STALLED, HE FEARS EUROPE WILL SPLIT INTO TWO ECONOMIC-THEN POLITICAL-BLOCKS.

GEN. CHARLES DE GAULLE AND CHANCELLOR KONRAD ADENAUER HAVE TAKEN STEPS TO EASE THESE FEARS. THROUGH THEIR INITIATIVE, THE COMMON MARKET HAS AGREED TO EXTEND PART OF THE FIRST COMMON MARKET BENEFITS TO COMMON MARKET NEIGHBORS. THIS HAS ONLY PARTLY QUIETED THE CLAMOR FROM ACROSS THE ENGLISH CHANNEL.

THE SCANDINAVIAN COUNTRIES HAVE TALKED SERIOUSLY OF A "NORDIC UNION" TO FACE UP TO THE COMMON MARKET.

THE NEW YEAR WILL SEE NEW EFFORTS TO GET ALL OF EUROPE ON THE FREE TRADE BANDWAGON. WEST GERMANY AND THE NETHERLANDS ARE LEADING THE PUSH INSIDE THE COMMON MARKET TO HURRY AN ARRANGEMENT WIDENING THE FREE TRADE ADVANTAGES IN CONTINENTAL EUROPE AND ACROSS THE CHANNEL.

WEST GERMANY IS PLUGGING FOR A SYSTEM OF TREATIES BETWEEN THE COMMON MARKET AND THE 11 NATIONS LEFT OUT IN THE COLD.

THE NETHERLANDS, WHICH FOR CENTURIES HAS HAD CLOSE COMMERCIAL RELATIONSHIPS WITH BRITAIN, IS DESPERATELY PRESSING FOR FTA, OR SOME SORT OF ARRANGEMENT COMPLEMENTING THE SIX-NATION COMMON MARKET. ABOUT TWO THIRDS OF DUTCH EXPORTS NOW GO TO COUNTRIES OUTSIDE THE COMMON MARKET.

(END ADVANCE FOR AMS WEDNESDAY DEC 31 MOVES DEC 27

JE1055PES

A106

(620)

AP FOREIGN SERVICE ADVANCE FOR TUESDAY PMS

BY DAVID MASON

(ADVANCE) PARIS, DEC. 30 (AP)--SIX CONTINENTAL NATIONS TURNS OVER A NEW LEAF THURSDAY, BRINGING CLOSER TO REALITY THE DREAM OF A UNITED EUROPE.

AS THE NEW YEAR DAWNS, CENTURIES-OLD TRADE BARRIERS WILL BEGIN TO FALL AWAY. THE EUROPEAN ECONOMIC COMMUNITY, OR COMMON MARKET, WILL GRADUALLY COME INTO BEING.

WITH THE SIX WESTERN EUROPEAN NATIONS "DISARMING" THEIR TRADE WITH ONE ANOTHER, FRAMERS OF THE COMMON MARKET TREATY LOOK AHEAD TO HIGHER LIVING STANDARDS FOR THEIR 168 MILLION PEOPLE. BUT EQUALLY IMPORTANT, THEY FEEL THAT WESTERN EUROPE WILL NO LONGER BE A CAULDRON OF WAR.

THE COMMON MARKET PACT WAS SIGNED NEARLY TWO YEARS AGO IN ROME BY FRANCE, WEST GERMANY, ITALY, BELGIUM, THE NETHERLANDS AND LUXEMBOURG. ITS FIRST PROVISIONS GO INTO EFFECT NEW YEAR'S DAY.

THE TREATY'S 248 ARTICLES ARE ENOUGH TO MAKE AN ACCOUNTANT'S HEAD WHIRL. BUT BASICALLY THIS IS WHAT WILL HAPPEN:

EACH OF THE SIX NATIONS WILL CUT ITS TARIFFS AGAINST THE OTHER 10 PER CENT. THUS FRENCH PERFUMES WILL COST LESS IN WEST GERMANY.

EACH OF THE SIX WILL OPEN ITS FRONTIERS TO AN OVER-ALL 20 PER CENT MORE GOODS FROM THE OTHER FIVE. THIS IS TECHNICALLY KNOWN AS INCREASING IMPORT QUOTAS. AS A RESULT ITALIANS WILL SEE CONSIDERABLY MORE FRENCH AND WEST GERMAN CARS SPEEDING ALONG THE HIGHWAY.

THE NEW IMPORT QUOTAS MUST AMOUNT TO AT LEAST 3 PER CENT OF THE NATIONAL OUTPUT OF EACH PRODUCT.

THIS IS JUST A SMALL START ON THE WAY TOWARD COMPLETELY FREE TRADE--AS FREE AS EXISTS AMONG THE 49 UNITED STATES. THE FINAL GOAL IS TO BE ACHIEVED OVER A TRANSITION PERIOD OF 12 TO 15 YEARS.

THESE DRASTIC LIBERALIZATION MEASURES WILL BE APPLIED ONLY WITHIN "LITTLE EUROPE." THERE STILL WILL BE A BARRIER BETWEEN THE SIX-NATION AREA AND THE OUTSIDE WORLD.

THE OUTSIDE WALL WILL GRADUALLY COME TO ONE HEIGHT. THE RELATIVELY HIGH TARIFFS OF FRANCE AND ITALY WILL DROP. BELGIUM, HOLLAND, LUXEMBOURG AND WEST GERMANY WILL BRING THEIR OUTSIDE BARRIERS SLIGHTLY UP. THUS THE SIX WILL HAVE UNIFORM PROTECTION AGAINST CHEAPER PRODUCTS FROM OTHER NATIONS.

THE COMMON MARKET TREATY PROVISIONS WILL ALSO EXTEND TO THE VAST OVERSEAS AREAS BELONGING TO THE SIX. THEY INCLUDE THE HUGE AFRICAN TERRITORIES OF FRANCE AND BELGIUM, WEALTHY IN MINERALS AND OTHER RAW MATERIALS.

THE TREATY OF ROME WAS CAUTIOUSLY SPELLED OUT TO EASE THE VERY REAL ADJUSTMENT PROBLEMS INVOLVED IN RE-ROUTING THE LONG COURSE OF TRADE HISTORY. BUT INEVITABLY THERE WILL BE ROUGH SPOTS. TO NURSE THE COMMON MARKET INTO ROBUST FORM, THE TREATY PROVIDES A SOLID BRACE OF GOVERNING INSTITUTIONS AND ADVISORY BODIES. THESE INCLUDE A PARLIAMENTARY ASSEMBLY, MINISTERIAL COUNCIL, AN ADMINISTRATIVE COMMISSION, A COURT, AND ECONOMIC AND SOCIAL ADVISORY COMMITTEES. FROM THESE INSTITUTIONS, A FEDERAL EUROPEAN GOVERNMENT MIGHT BE A RELATIVELY SHORT STEP, SHOULD ALL GO WELL.

THE KEY TO FULL FUNCTIONING OF THE COMMON MARKET IS FRANCE, WITH PERHAPS THE LONGEST HISTORY OF RIGID TRADE PROTECTIONISM.

WHILE HER PARTNERS HELD THEIR BREATHS, THE FRENCH PARLIAMENT RATIFIED THE TREATY. ONLY A FEW DAYS AGO, GEN. CHARLES DE GAULLE PUSHED THROUGH DECREES TO IMPLEMENT THE FIRST MEASURES ON JAN. 1.

LAST-MINUTE MONETARY ADJUSTMENTS WERE ORDERED DURING THE CHRISTMAS HOLIDAYS. THESE INCLUDED A NEW DEVALUATION OF THE FRANC, MAKING IT WORTH LESS IN TERMS OF FOREIGN CURRENCIES. THIS WAS AN ARTIFICIAL MEANS OF BRINGING DOWN FRENCH PRICES SO THEY COULD COMPETE IN THE COMMON MARKET. SOME OF THE ADVANTAGE WILL BE WIPED OUT, HOWEVER, BY PRICE INCREASES IN BASIC ITEMS.

THE MEASURES ARE OF A STOPGAP NATURE, AND FUNDAMENTAL CHANGES IN THE FRENCH ECONOMY WILL BE NECESSARY IF FRANCE IS TO WEATHER THE CHILL WINDS OF FREER TRADE.

THE COMMON MARKET ALSO PRESENTS A NEW CHALLENGE FOR AMERICA. "LITTLE EUROPE" WILL MAKE MORE OF HER OWN CARS, REFRIGERATORS, WASHING MACHINES AND OTHER MANUFACTURED GOODS. TO GET INTO THIS MARKET, U.S. INDUSTRY HAS ALREADY BEGUN TO ESTABLISH FACTORIES WITHIN THE MARKET AREA. THERE IS EXPECTED TO BE A BROADER FIELD FOR U.S. INVESTMENT, RAW MATERIALS AND CAPITAL GOODS.

AS THE SIX NATIONS JOIN IN THEIR CUSTOMS UNION, A STORM IS GATHERING OUTSIDE. THE OTHER NATIONS OF WESTERN EUROPE FEAR THEY WILL BE FROZEN OUT. BRITAIN IS LEADING THE PUSH FOR WIDER, MORE LOOSELY REGULATED FREE TRADE AREA, INCLUDING THE SIX COMMON MARKET NATIONS AND THEIR 11 NEIGHBORS. BUT FRANCE IS BITTERLY FIGHTING THE FREE TRADE AREA, CLAIMING SHE CANNOT STAND BROADER TRADE LIBERALIZATION.

THE SIX (CAPS S) AND THE ELEVEN (CAP E) WILL CONFRONT EACH OTHER JAN. 15 IN PARIS IN A NEW EFFORT TO MAKE PEACE. SHOULD THEY FAIL TO REACH ACCORD SOON, A TRADE WAR APPEARS INEVITABLE.

END ADVANCE FOR TUESDAY PMS--MOVED DEC. 29)

MM954PES

A145

(100)
MARSEILLES, FRANCE, DEC. 30 (AP)--JOSEPH JOANOVICI, WHO FLED FRANCE TO ESCAPE HEAVY FINES AFTER MAKING MILLIONS DEALING WITH THE GERMANS IN SCRAP IRON DURING WORLD WAR II, WAS SEIZED TODAY.

THE 53-YEAR-OLD ROMANIAN-BORN JUNK DEALER HAD BEEN DEPORTED BY ISRAEL AND PUT ABOARD THE THEODOR HERZL.

A SQUAD OF FRENCH POLICE WENT ABOARD THE ISRAELI VESSEL AND ASKED THE CAPTAIN WHETHER HE HAD ANY SPECIAL INSTRUCTIONS TO PREVENT THEM FROM TAKING OFF THE FUGITIVE. HE REPLIED NO.

30.24- 5691

JOANOVICI WAS CONVICTED OF COOPERATING ECONOMICALLY WITH THE GERMANS DURING THEIR OCCUPATION OF FRANCE AND FINED THE EQUIVALENT OF \$2,600,000. HE FLED TO ISRAEL IN OCTOBER 1957 ON A FAKE MOROCCAN PASSPORT AND FOR A YEAR SUCCESSFULLY RESISTED ATTEMPTS BY THE FRENCH TO BRING HIM BACK.

JR1101PES

A24

BERLIN, DEC. 30 (AP)--THE U.S. ARMY TODAY DENIED THAT DELIVERY OF SIX ARMORED PERSONNEL CARRIERS TO ITS WEST BERLIN GARRISON MEANT THE GARRISON HAD BEEN SPECIALLY REINFORCED BECAUSE OF THE COMMUNIST THREAT TO THE CITY.

AN ARMY SPOKESMAN SAID THE 12-MAN CARRIERS WERE ^{standard} STRANDED EQUIPMENT FOR THE TWO AMERICAN BATTLE GROUPS STATIONED IN WEST BERLIN. HE SAID NO ADDITIONAL MANPOWER CAME WITH THE VEHICLES, WHICH HAVE BEEN

DELIVERED DURING THE PAST TWO WEEKS.

"THERE IS NOT A BIT OF TRUTH IN REPORTS THAT THERE HAS BEEN ANY SPECIAL REINFORCEMENT OF THE GARRISON," THE SPOKESMAN DECLARED.

FV400AES

S42

BERLIN, DEC. 30 (AP)--AT LEAST 1,963 EAST GERMANS USED THE

CHRISTMAS WEEK TO ESCAPE COMMUNISM, WEST BERLIN REFUGEE OFFICIALS ANNOUNCED TODAY.

THE REFUGEE AUTHORITIES SAID THAT WAS 800 MORE EAST GERMANS THAT ASKED FOR POLITICAL ASYLUM IN WEST BERLIN THAN THE WEEK BEFORE.

RP1037AES

(190)

MUNICH, GERMANY, DEC. 30 (AP)--CHANCELLOR KONRAD ADENAUER SAID TODAY WEST GERMANY MUST NOT "PLAY THE JUMPING JACK" IN THE FACE OF SOVIET POLICY.

IN AN INTERVIEW WITH THE INDEPENDENT MUNICH HERKUR ON THE BERLIN CRISIS, THE CHANCELLOR REJECTED FREQUENTLY VOICED CLAIMS THAT WEST WAS NOT MOBILE ENOUGH POLITICALLY.

"THE MOSCOW MASTERS HAVE PLAYED ALL PROPAGANDA RECORDS," ADENAUER SAID. "IN THAT, THEY ARE VERY MOBILE. BUT THEY HAVE NOT MOVED AN INCH FROM THEIR AIMS."

"SHOULD THE FEDERAL (WEST GERMAN) GOVERNMENT PLAY THE JUMPING JACK IN VIEW OF SUCH A POLITICAL REALITY, A JUMPING JACK WHO YIELDS TO EVERY PULL AND PRESSURE AND THEREBY RISKS TO LOSE EVERYTHING WHICH IS STILL LEFT TO THE GERMAN PEOPLE?

"THERE IS A CERTAIN LIMIT DEFINED BY SELF-ESTEEM, HUMAN DIGNITY AND PERSONAL FREEDOM. IF THE CLAIM OF IMMOBILITY REFERS TO THIS LIMIT, THEN THE EASTERN POLICY OF THE FEDERAL GOVERNMENT IS INDEED SHORTLY."

57219PES

A74 (140)

BELGRADE, DEC. 30 (AP)--A JOINT YUGOSLAV-SOVIET COMMUNIQUE TONIGHT STRESSED AN IDENTITY OF VIEWS ON ESSENTIAL PROBLEMS IN THE STRUGGLE FOR PEACE.

THE COMMUNIQUE WAS ISSUED AT THE END OF A VISIT BY A DELEGATION OF THE SOVIET COMMITTEE FOR DEFENSE OF PEACE. THE SOVIET DELEGATION HAD TALKS WITH THE YUGOSLAV COMMUNIST-DOMINATED SOCIALIST ALLIANCE OF WORKING PEOPLES.

THE COMMUNIQUE SAID THE TALKS WERE HELD "IN A SPIRIT OF FRIENDLY UNDERSTANDING."

"AN IDENTITY OF VIEWS HAS BEEN ESTABLISHED ON THE MOST ESSENTIAL PROBLEMS OF STRUGGLE FOR PEACE," THE COMMUNIQUE SAID. "THE NECESSITY WAS POINTED OUT OF MUTUAL COOPERATION IN SETTLEMENT OF THESE PROBLEMS."

THE VISIT OF THE DELEGATION--WITH THE KREMLIN'S OFFICIAL APPROVAL--WAS SEEN HERE AS A SIGN OF SOME IMPROVEMENT IN YUGOSLAV-SOVIET RELATIONS. THESE HAVE BEEN HEAVILY STRAINED BY THE SOVIET BLOC'S CAMPAIGN AGAINST YUGOSLAV REVISIONISM OR THE REFUSAL OF YUGOSLAVIA TO ACCEPT THE KREMLIN LINE ON PARTY POLICY.

A111

WW638PES

(140)

MOSCOW, DEC. 30 (AP)--THE RUSSIANS SAID TODAY THEY ARE STANDING FIRM ON MAKING WEST BERLIN A FREE CITY AND IT IS UP TO THE WEST TO GIVE GROUND TO BRING ABOUT A SETTLEMENT OF THE PROBLEM.

THE SOVIET GOVERNMENT NEWSPAPER IZVESTIA TOLD READERS AGAIN THAT WESTERN THREATS "CANNOT INTIMIDATE ANYONE." IT DECLARED ANY PROVOCATION OVER WEST BERLIN WOULD "INEVITABLY BACKFIRE ON ITS ORGANIZERS."

PREMIER NIKITA KHRUSHCHEV IN NOVEMBER DEMANDED THE UNITED STATES, BRITAIN AND FRANCE QUIT WEST BERLIN WITHIN SIX MONTHS AND TURN IT INTO A NEUTRALIZED CITY.

THE WESTERN BIG THREE HAVE ALREADY STATED THEY INTEND TO STAY IN WEST BERLIN.

--DASH--

MOSCOW RADIO, IN OVERSEAS PROPAGANDA BROADCASTS, PLACED VARYING EMPHASIS ON THE SOVIET APPROACH TO THE BERLIN ISSUE.

GERMAN LISTENERS WERE TOLD THAT RUSSIA IS "BY NO MEANS UNWILLING TO LISTEN AND DISCUSS ANY VIEWS WHICH THE WESTERN POWERS MAY HOLD."

ENGLISH LISTENERS, IN ALMOST THE SAME BREATH, WERE INFORMED THAT "IF IT IS A QUESTION OF WHO SHOULD RETREAT ON THE PROBLEM OF BERLIN, IT OBVIOUSLY IS NOT THE U.S.S.R."

JR9PES

A122

WITH MOSCOW

BERLIN, DEC. 30 (AP)--WEST BERLIN MAYOR WILLY BRANDT SAID TODAY "I'M THOROUGHLY CONVINCED THERE WILL BE NO WAR OVER BERLIN." BUT HE WARNED THE RUSSIANS AGAINST COUNTING ON THE ALLIES TO GIVE WAY, TELLING A NEWS CONFERENCE "THAT'S A VERY DANGEROUS ESTIMATE OF THE SITUATION."

THE SOVIET UNION HAS DEMANDED THE UNITED STATES, BRITAIN AND FRANCE GET OUT OF WEST BERLIN IN SIX MONTHS--THE DEADLINE FALLING ON MAY 27.

"THAT DATE," SAID BRANDT WITH A GRIN, "DOESN'T EVEN APPEAR ON OUR CALENDAR. WE ARE PLANNING BEYOND IT."

AND HE EMPHASIZED THE PLANS CALLED FOR THE 2,200,000 WEST BERLINERS TO REMAIN FIRMLY IN THE WESTERN CAMP.

RS940PES

A127

(210)

JAKARTA, INDONESIA, DEC. 30 (AP)--PRESIDENT TITO OF YUGOSLAVIA AND INDONESIAN PRESIDENT SUKARNO REAFFIRMED TODAY THEIR NEUTRAL POSTURE IN THE COLD WAR AND BLAMED THE WORLD'S TROUBLES ON THE COLONIAL POWERS.

TITO IS ON A TOUR OF NEUTRALIST NATIONS IN SOUTHEAST ASIA. TODAY'S JOINT COMMUNIQUE WITH SUKARNO, CLIMAXING HIS VISIT HERE, SAID THE DANGER OF WAR WAS BEING INCREASED BY THE WORLDWIDE ARMS RACE, THE POLICIES OF THE COLD WAR AND INTERFERENCE INTO THE INTERNAL AFFAIRS OF OTHER COUNTRIES.

THE TWO LEADERS SAID AN ESPECIALLY DANGEROUS SITUATION IS CREATED "BY ATTEMPTS OF COLONIAL STATES TO KEEP BY FORCE OF ARMS AND OTHER MEANS MANY PEOPLES IN COLONIAL SUBORDINATION." THEY ACCUSED COLONIAL POWERS OF "CONSTANT ATTEMPTS TO PREVENT, HINDER AND SLOW DOWN NORMAL DEVELOPMENT OF RECENTLY LIBERATED PEOPLES."

THE EXAMPLE THEY GAVE OF SUCH "NEGATIVE ATTEMPTS" WAS INDONESIA'S LONGSTANDING QUARREL WITH THE NETHERLANDS OVER DUTCH NEW GUINEA. INDONESIAN DEMANDS FOR THE AREA TOUCHED OFF THE EXPULSION OF MOST DUTCH BUSINESSMEN FROM THE ISLAND REPUBLIC EARLIER IN THE YEAR.

THE COMMUNIQUE SAID TITO AND SUKARNO GAVE SPECIAL CONSIDERATION TO PROBLEMS OF DISARMAMENT AND BAN OF USE OF NUCLEAR ARMS. THEY HAILED THE INITIAL SUCCESSSES IN THE UNITED NATIONS AND THE GENEVA CONFERENCE OF EXPERTS, WHICH WAS BACKED BY THE WEST.

THE TWO LEADERS RESTATED THEIR VIEW THAT RED CHINA SHOULD BE REPRESENTED IN THE UNITED NATIONS.

JR1002PES

A174

FIRST LEAD TRUCE A12

TAIPEI, FORMOSA, WEDNESDAY, DEC. 31 (AP)--THE CHINESE COMMUNISTS TODAY ACCEPTED A TACIT SUGGESTION BY THE NATIONALISTS FOR CEASE-FIRE IN THE OFFSHORE ARTILLERY WAR OVER THE LONG NEW YEAR HOLIDAY.

THE COMMUNIST COMMAND ON THE FUKIEN COAST OPPOSITE QUEMOY BROADCAST AN ANNOUNCEMENT THAT THE NATIONALIST ISLANDS WOULD NOT BE SHELLED TODAY OR TOMORROW. THE NATIONALISTS HAD ANNOUNCED THAT THEY WOULD NOT RETURN ANY FIRE ON THOSE DAYS.

BOTH ARE ODD-NUMBERED DAYS, THOSE ON WHICH THE REDS SHELL THE QUEMOYS BY THEIR SELF-IMPOSED PATTERN OF BOMBARDMENTS ONLY ON ODD DAYS. WITH YESTERDAY AND FRIDAY BOTH EVEN DAYS, THIS WILL PROVIDE A FOUR-DAY RESPIRE FOR THE ISLAND DEFENDERS.

THE NATIONALISTS EARLIER HAD ANNOUNCED THEY WOULD NOT RETURN FIRE IN OBVIOUS HOPE THAT THE REDS WOULD NOT SHOOT.

THE NATIONALISTS CALLED A SIMILAR CEASE-FIRE CHRISTMAS DAY. THE COMMUNISTS FIRED A FEW SHELLS IN THE EARLY MORNING BUT THEN STOPPED AT 11:30 A.M. FOR THE REST OF THE HOLIDAY.

THE DELAYED REACTION TO THAT TRUCE OFFER COULD HAVE BEEN DUE TO THE SLOWNESS IT TOOK THE RED COMMAND AT FUKIEN OPPOSITE QUEMOY TO GET HIGHER LEVEL APPROVAL FROM PEIPING.

JR236PES

A72

TOKYO, DEC. 30 (AP)-THE UNITED STATES HAS GRANTED AMNESTY TO THE LAST 83 JAPANESE WAR CRIMINALS. THE FOREIGN MINISTRY SAID THIS "OFFICIALLY COMPLETES THE WAR CRIMES ISSUE."
THE MINISTRY SAID THE U.S. GOVERNMENT NOTIFIED JAPAN YESTERDAY THAT THE TERMS OF 75 FORMER MILITARY MEN AND EIGHT CIVILIANS HAD BEEN REDUCED TO THE TERMS ACTUALLY SERVED. ALL WERE OUT ON PAROLE.
THE ACTION OFFICIALLY CLOSES SUGAMO PRISON, WHERE JAPANESE WAR CRIMINALS WERE IMPRISONED.
C755AES

A82WX

(440) NIGHT LEAD MIKOYAN
BY WARREN ROGERS JR.

WASHINGTON, DEC. 30 (AP)-RUSSIA'S NO. 2 MAN, ANASTOS I. MIKOYAN, EXPECTED IN WASHINGTON NEXT WEEK, WILL GET A CHANCE TO DISCUSS THE CRITICAL BERLIN SITUATION WITH SECRETARY OF STATE DULLES.
SOVIET AMBASSADOR MIKHAIL MENSHIKOV TALKED FOR NEARLY AN HOUR TODAY WITH DEPUTY UNDERSECRETARY OF STATE ROBERT MURPHY TODAY ABOUT MIKOYAN'S FORTHCOMING VISIT. AFTERWARD, MENSHIKOV TOLD NEWSMEN:
"HE (MIKOYAN) WILL ARRIVE SOON--DURING THE FIRST WEEK OF JANUARY."
DULLES, RESTING IN JAMAICA AFTER SUFFERING AN INTESTINAL INFLAMMATION, IS DUE BACK IN WASHINGTON SATURDAY. THE STATE DEPARTMENT HAS SAID DULLES AND ANY OTHER U.S. OFFICIAL--PRESUMABLY INCLUDING PRESIDENT EISENHOWER--WILL BE AVAILABLE IF MIKOYAN WANTS TO TALK TO THEM.
THE DEPARTMENT CONFIRMED TODAY THAT U. S., BRITISH AND FRENCH NOTES HAVE BEEN SENT TO MOSCOW DECLARING BIG THREE DETERMINATION TO STAY IN BERLIN.

THESE MESSAGES, SIMILAR BUT NOT IDENTICAL, ARE REPLIES TO SOVIET PREMIER NIKITA KHRUSHCHEV'S THANKSGIVING DAY NOTES TO WASHINGTON, LONDON, PARIS AND BONN. KHRUSHCHEV DEMANDED WITHDRAWAL OF WESTERN TROOPS FROM WEST BERLIN WITHIN SIX MONTHS.

THE WEST'S RESPONSE, DRAFTED AMID CLOSE CONSULTATION, WAS REPORTED TO BE A REJECTION OF ANY SUCH IDEA. THE NOTES ARE UNDERSTOOD TO CHIDE KHRUSHCHEV FOR ISSUING WHAT SOUNDED LIKE AN ULTIMATUM.
RECENT SOVIET MOVES INDICATE SOME SHIFT IN ATTITUDE. SOVIET FOREIGN MINISTER ANDREI GROMYKO LAST WEEK ISSUED A TOUGH STATEMENT ON BERLIN BUT CAREFULLY EASED AWAY FROM ANY ULTIMATUM STANCE. MOSCOW RADIO, COMMENTING ON GROMYKO'S STATEMENT, YESTERDAY EMPHASIZED THIS POINT.

SOVIET SOURCES SAID LATER THEY UNDERSTOOD MIKOYAN WOULD ARRIVE IN NEW YORK CITY EITHER SATURDAY OR SUNDAY ABOARD A SCANDINAVIAN AIR SERVICE PLANE.

THEY SAID MIKOYAN MAY WANT TO VISIT CHICAGO AND THE GREAT LAKES REGION AND PERHAPS TEXAS.

THE STATE DEPARTMENT, MEANWHILE, DISCLOSED IT WOULD HAVE AN ANNOUNCEMENT TOMORROW MORNING (10 A.M. EST). THERE WAS NO OFFICIAL WORD ON WHAT THE ANNOUNCEMENT WOULD BE. IT APPEARED LIKELY, HOWEVER, THAT IT WOULD CONCERN DELIVERY OF THE U.S., BRITISH AND FRENCH NOTES TO THE KREMLIN.

U. S. OFFICIALS SPECULATED THAT MIKOYAN MIGHT BE EMPOWERED TO SEEK A FACE-SAVING SOLUTION IN MORE OR LESS INFORMAL TALKS IN WASHINGTON.

MIKOYAN, A DEPUTY PREMIER, IS PRIMARILY A TRADE EXPERT. BUT AS KHRUSHCHEV'S RIGHT HAND MAN AND TROUBLE SHOOTER, MIKOYAN WAS EXPECTED TO GO BEYOND TRADE QUESTIONS IN ANY DISCUSSION WITH U. S. OFFICIALS. BERLIN, AS THE MAIN POINT OF EAST-WEST FRICTION AT PRESENT, WOULD HAVE TOP PRIORITY.

NEITHER MENSHIKOV NOR THE STATE DEPARTMENT SHED MUCH MORE LIGHT ON MIKOYAN'S IMPENDING VISIT.

THE DEPARTMENT INSISTED THAT THE MURPHY-MENSHIKOV TALKS WERE "A GENERAL CONVERSATION CONCERNING THE FORTHCOMING VISIT OF DEPUTY PREMIER MIKOYAN." THE DEPARTMENT SAID "DETAILS OF THE VISIT HAVE NOT YET BEEN FIRMED UP."

30.24- 5693

MENSHIKOV SAID NO APPOINTMENTS HAVE BEEN SOUGHT FOR MIKOYAN WITH EISENHOWER OR DULLES. THE AMBASSADOR SAID HE DID NOT KNOW WHERE MIKOYAN MIGHT GO BESIDES WASHINGTON, BUT THAT A WEST COAST VISIT SOUNDED LIKE A GOOD IDEA.

MIKOYAN OSTENSIBLY IS COMING AS AN INFORMAL VISITOR FOR TWO WEEKS AS MENSHIKOV'S GUEST. INDICATIONS WERE HE WOULD HARDLY STAY MUCH LONGER, SINCE HE IS DUE BACK IN MOSCOW FOR A JAN. 27 MEETING OF THE COMMUNIST PARTY'S CONGRESS.

JC/GG707PES

B97WX (Q)

WX LOCALS OUT-160

WASHINGTON, DEC. 30 (AP)-THE U. S. COURT OF APPEALS HELD TODAY THAT A CHINESE ENGINEER CANNOT BE DEPORTED TO RED CHINA WITHOUT THE COMMUNIST GOVERNMENT'S CONSENT.

THE RULING RAISED THE QUESTION WHETHER ANY CHINESE COULD BE DEPORTED TO THE CHINESE MAINLAND BECAUSE THE U. S. HAS NO DIPLOMATIC RELATIONS WITH THAT GOVERNMENT.

THE COURT ACTED IN THE CASE OF ALFRED DODGE LU, NOW AN ELECTRICAL ENGINEER LIVING IN NEW YORK. HE CAME TO THIS COUNTRY IN JUNE 1948 AS A STUDENT AND THE U. S. IMMIGRATION SERVICE ORDERED HIM DEPORTED IN DECEMBER 1955 AFTER EXPIRATION OF HIS VISA.

APPEALS COURT JUDGES HENRY EDGERTON, DAVID L. BAZELON AND WALTER M. BASTIAN AFFIRMED A DECISION HERE LAST APRIL BY U. S. DISTRICT COURT JUDGE JOSEPH C. MCGARRAGHY THAT LU CANNOT BE DEPORTED TO COMMUNIST CHINA.

MC GARRAGHY HAD RULED THE DEPORTATION WOULD BE ILLEGAL UNLESS THE CHINESE PEOPLES' REPUBLIC ADVISED THAT IT WOULD BE WILLING TO ACCEPT LU INTO THE MAINLAND OF CHINA.

WHEN THE CASE WAS ARGUED BEFORE JUDGE MCGARRAGHY, ASST. U. S. ATTY. ELLEN LEE PARKS REMINDED THE JUDGE THAT THIS COUNTRY HAS NO DIPLOMATIC RELATIONS WITH THE RED CHINESE GOVERNMENT AND ANY COMMUNICATIONS REGARDING RE-ENTRY TO RED CHINA PROBABLY WOULD BE IGNORED BY THE COMMUNISTS.

HY&WE134PES

B31WX

-95-

SERGEANT MISSILE

WASHINGTON, DEC. 30 (AP)-THE ARMY TODAY AWARDED THE SPERRY RAND CORP. CONTRACTS TOTALING 22 MILLION DOLLARS FOR WORK ON THE SERGEANT MISSILE AND ITS GROUND HANDLING EQUIPMENT.

ONE CONTRACT, FOR 13 MILLION, WAS FOR PRODUCTION OF THE MISSILE FOR EXTENSIVE TESTING BY THE ARMY.

A SECOND CONTRACT, FOR NINE MILLION, WAS FOR CONTINUING RESEARCH AND DEVELOPMENT ON THE MISSILE. WORK ON BOTH CONTRACTS WILL BE PERFORMED AT THE SPERRY-UTAH ENGINEERING DIVISION IN SALT LAKE CITY.

EG459PES NM

B87WX Q

WASHINGTON, DEC. 30 (AP)-THE PENTAGON SAID TONIGHT A REORGANIZATION PLAN TO INCLUDE THE CONTINENTAL AIR DEFENSE COMMAND AS ONE OF EIGHT NEW UNIFIED COMMANDS GOES INTO OPERATION JAN. 1, AS SCHEDULED.

A SPOKESMAN SAID THE EFFECT OF THE REORGANIZATION, IN KEEPING WITH A DIRECTIVE FROM PRESIDENT EISENHOWER, WILL CLARIFY THE LINES OF COMMAND AND SERVE TO INCREASE EFFICIENCY.

UNDER THE CHANGE, THE JOINT CHIEFS OF STAFF--RATHER THAN THE AIR FORCE AS AT PRESENT--WILL ACT AS EXECUTIVE AGENTS FOR THE CONTINENTAL AIR DEFENSE COMMAND.

MC941PESNM

A176AQ

(150)

LOS ALAMOS, N. M., DEC. 30 (AP)—A VETERAN TECHNICIAN AT THE UNIVERSITY OF CALIFORNIA SCIENTIFIC LABORATORY AT LOS ALAMOS WAS CRITICALLY INJURED IN A RADIATION ACCIDENT TODAY.

THE LABORATORY SAID CECIL W. KELLEY WAS HURT.

KELLEY, A METAL FABRICATIONS OPERATOR IN ONE OF THE LABORATORY'S CHEMICAL-METALLURGICAL DIVISIONS, WAS EXPOSED TO A LARGE DOSE OF RADIATION DURING A PLUTONIUM METAL RECOVERY OPERATION.

THE WORK IN WHICH KELLEY WAS ENGAGED HAD BEEN CAREFULLY STUDIED PREVIOUSLY AND WAS CONSIDERED TO HAVE BEEN ADEQUATELY CONTROLLED, THE LABORATORY SAID.

THE SPOKESMAN SAID THE REASON FOR AN ACCIDENT OF THIS KIND, IN WHAT WAS RECORDED AS A NOMINALLY SAFE OPERATION, WAS PLACED IMMEDIATELY UNDER CAREFUL STUDY.

KELLEY WAS PLACED IN THE LOS ALAMOS MEDICAL CENTER.

HE HAD BEEN AN EMPLOYEE OF THE SCIENTIFIC LABORATORY SINCE JUNE, 1946, WITH THE EXCEPTION OF A YEAR OF ABSENCE FROM JUNE, 1954, TO JUNE, 1955.

THE LABORATORY SPOKESMAN SAID THE ACCIDENT HAPPENED ABOUT 4:30 P.M., SHORTLY BEFORE THE LABORATORY STAFF WAS TO GO OFF DUTY.

SEVERAL OTHER LABORATORY EMPLOYEES WERE IN THE VICINITY, HE SAID, BUT "AS FAR AS IS KNOWN AT THIS TIME, THEY WERE NOT EXPOSED TO SERIOUS DOSAGES OF RADIATION."

HE SAID HE COULD NOT ELABORATE MORE ON TECHNICAL ASPECTS BECAUSE THEY MIGHT RUN "ACROSS THE POSSIBILITY OF CLASSIFICATION PROBLEMS."

HE SAID KELLEY'S PERSONNEL RECORDS WERE UNAVAILABLE UNTIL TOMORROW.

THERE HAVE BEEN TWO FATAL RADIATION INJURIES AT LOS ALAMOS.

ONE VICTIM WAS DR. LOUIS B. SLOTIN, 35-YEAR-OLD CANADIAN-BORN SCIENTIST. HE WAS FATALLY INJURED MAY 21, 1946.

SLOTIN WAS CREDITED WITH QUICK ACTION WHICH SAVED THE LIVES OF SEVERAL OF HIS ASSOCIATES. HE DIED NINE DAYS LATER OF WHAT OFFICIALS CALLED "DEEP INTERNAL BURNS, RESULTING IN INJURY TO THE TISSUES."

SEVEN OTHER SCIENTISTS AND TECHNICIANS WHO WERE ASSISTING SLOTIN IN AN ATOMIC EXPERIMENT AT THE TIME OF THE ACCIDENT RECOVERED FROM EFFECTS OF RADIATION EXPOSURE.

IN SEPTEMBER, 1945, HARRY K. DAGLIAN, 24-YEAR-OLD NEW LONDON, CONN., SCIENTIST, DIED FROM RADIATION BURNS RECEIVED IN AN ACCIDENT ALMOST IDENTICAL WITH THAT WHICH KILLED SLOTIN. DAGLIAN LIVED 26 DAYS. HE WAS WORKING ALONE WHEN THE ACCIDENT OCCURRED.

RH1153PMS NM

B77DT (Q)

(APW)

KALAMAZOO, MICH., DEC. 30 (AP)—MAYOR GLENN S. ALLEN JR., OF KALAMAZOO, HAS INVITED MAYOR WILLY BRANDT OF WEST BERLIN TO REPAY A VISIT ALLEN PAID TO THE GERMAN MAYOR EARLIER THIS YEAR.

ALLEN, WHO WENT TO GERMANY FOR A KALAMAZOO EXHIBIT AT THE BERLIN TRADE FAIR, TELEGRAPHED HIS INVITATION TO BRANDT LAST NIGHT.

BRANDT IS SCHEDULED TO SPEAK FEB. 12 AT THE LINCOLN SESQUICENTENNIAL CELEBRATION IN SPRINGFIELD, ILL.

HN1045AES NM

A157CX

(220)

CHICAGO, DEC. 30 (AP)—GOVERNORS OF ^{eight} NINE STATES HAVE BEEN INVITED TO VISIT THE SOVIET UNION THIS SUMMER, THE EXECUTIVE SECRETARY OF THE GOVERNORS' CONFERENCE ANNOUNCED TONIGHT.

THE SOVIET UNION'S INVITATION WAS EXTENDED TO THE NINE MEMBERS OF THE CONFERENCE EXECUTIVE COMMITTEE MEETING IN CHICAGO THREE WEEKS AGO, BREVARD CRIHFIELD, THE EXECUTIVE SECRETARY, SAID.

IT IS DUE TO BE ACTED UPON—WITH EVERY INDICATION THAT IT WILL BE ACCEPTED—AT A FURTHER MEETING OF THE EXECUTIVE COMMITTEE AT BILOXI, MISS., FEB. 23.

THE NINE GOVERNORS WOULD MAKE THE TRIP TO THE SOVIET UNION, ACCORDING TO CRIHFIELD, ARE LEROY COLLINS, OF FLORIDA, CHAIRMAN OF THE GOVERNORS' CONFERENCE; WILLIAM G. STRATTON, OF ILLINOIS, A PAST CHAIRMAN; CECIL H. UNDERWOOD, OF W. VA.; GEORGE D. CLYDE, OF UTAH; JAMES P. COLEMAN OF MISSISSIPPI; ROBERT MEYNER, OF NEW JERSEY; VICTOR E. ANDERSON, OF NEBRASKA; WILLIAM F. QUINN OF HAWAII AND STEPHEN L. R. MCNICHOLS OF COLORADO.

CRIHFIELD SAID IT WAS HIS UNDERSTANDING, ARISING FROM INFORMAL DISCUSSIONS OF THE PROPOSED VISIT DURING THE RECENT CHICAGO CONFERENCE, THAT IF THE TRIP WERE MADE IT WOULD BE DONE SO UNDER A FORD FOUNDATION GRANT OF AN UNSPECIFIED AMOUNT. IN NEW YORK, HOWEVER, A FOUNDATION SPOKESMAN SAID HIS GROUP WAS NOT MAKING A GRANT FOR THE TRIP NOR CONSIDERING DOING SO.

"THEY (THE GOVERNORS) TRIED TO GET MONEY, BUT IT NEVER EVEN GOT TO THE FORMAL DISCUSSION STAGE," THE FOUNDATION SPOKESMAN SAID. "IT IS NOT THE KIND OF THING WE GIVE MONEY FOR."

NEITHER THE LENGTH OF THE PROPOSED TRIP TO MOSCOW NOR THE ITINERARY HAVE BEEN DISCUSSED, CRIHFIELD SAID.

CRIHFIELD SAID HE DID NOT RECALL WHO MADE THE INVITATION OR HOW IT WAS DELIVERED.

WZ1028PCS NM

A117AX

.95.

SECOND NIGHT LEAD MISSILES

BY JACK KING

CAPE CANAVERAL, FLA., DEC. 30 (AP)—A THOR ROCKET BLEW APART SHORTLY AFTER LAUNCHING TONIGHT, THE SECOND BALLISTIC MISSILE TO EXPLODE OVER THE CAPE IN 11 HOURS.

THE 65-FOOT THOR CRASHED BACK AT THE TIP OF THE CAPE 50 SECONDS AFTER IT BLAZED INTO THE BLACK FLORIDA SKY.

EARLIER, THE NAVY LAUNCHED THE HIGHLY TOUTED POLARIS TEST ROCKET. IT WAS DESTROYED 1 1/2 MINUTES AFTER WHAT HAD APPEARED TO BE A SUCCESSFUL LAUNCHING.

TONIGHT'S THOR, THE 24TH FIRED IN THE AIR FORCE'S STEPPED UP IRBM DEVELOPMENT PROGRAM, APPEARED TO BE OFF COURSE AS SOON AS IT ROARED ALOFT FROM A HUGE POOL OF WHITE FLAME AND SMOKE.

THE AIR FORCE ANNOUNCED 10 MINUTES AFTER THE SPECTACULAR FAILURE THAT THE MISSILE WAS DESTROYED BY THE RANGE SAFETY OFFICER WHEN A MALFUNCTION DEVELOPED.

THE THOR LOOKED BAD RIGHT FROM THE START. INSTEAD OF THUNDERING STRAIGHT UP, IT VEERED SHARPLY TOWARD THE NORTH.

THE 55-TON ROCKET CLIMBED SLOWLY THROUGH A PATCH OF WHITE CLOUD TO AN ALTITUDE OF SEVERAL HUNDRED FEET BEFORE IT PLUMMETED EARTHWARD. JUST BEFORE IMPACT THERE WAS A BRIGHT FLASH OF FIRE WHEN THE SAFETY OFFICER APPARENTLY MADE HIS MOVE.

THE SHATTERED SECTION OF THE MISSILE RAINED DOWN ON THE TIP OF THE CAPE AND INTO THE ATLANTIC.

TONIGHT'S LAUNCHING PROBABLY WAS AIMED AT AN IMPACT AREA 1,500 MILES ACROSS THE OCEAN. THE MISSILE CARRIED A BLINKING LIGHT WHICH WOULD AID TRACKING OPERATIONS AS IT SOARED THROUGH SPACE AT TREMENDOUS SPEEDS.

THE BLOWUP CAME AS A SURPRISE AFTER THOR'S AMAZING SUCCESS TWO WEEKS AGO. AT THAT TIME THE DOUGLAS MISSILE WAS INVOLVED IN A DOUBLE BARRELED ROCKET SHOOT FROM BOTH AMERICAN COASTS.

ON DEC. 16, ONE OF THE MISSILES BLASTED FROM THE CAPE AFTER ANOTHER THOR HAD BEEN LAUNCHED OVER THE PACIFIC BY A MILITARY CREW AT VANDENBERG AFB, CALIF., FOUR HOURS EARLIER.

UP TO TONIGHT 14 THORS HAD BEEN FIRED DURING THE YEAR WITH ONLY THREE FAILURES RECORDED.

THOR UNITS ALREADY ARE ON SITE AS PART OF THE NATO DEFENSE FORCE IN ENGLAND. THE LATEST LAUNCHING WAS PART OF THE CLOSEOUT PHASE OF A TOP PRIORITY RESEARCH DEVELOPMENT PROGRAM AIMED AT MAKING THOR COMBAT READY.

THE THOR EXPLOSION AGAINST THE BACKDROP OF THE BLACK FLORIDA SKY WAS MORE SPECTACULAR THAN THE POLARIS BREAKUP WHICH CAME 1 1/2 MINUTES AFTER LAUNCHING.

FOR THE THIRD STRAIGHT TIME IN THIS NEW SERIES OF POLARIS TESTS THE RANGE SAFETY OFFICER HAD TO PRESS HIS DESTRUCT LEVER WHEN HE SAW THAT THE MISSILE WAS SWERVING OFF COURSE.

TODAY'S ROCKET WAS A TWO-STAGE SOLID FUEL FORERUNNER OF THE POLARIS INTERMEDIATE RANGE BALLISTIC MISSILE WHICH THE NAVY HOPES TO HAVE READY FOR LAUNCHING FROM NUCLEAR POWERED SUBMARINES BY 1960.

IT ROARED OFF TO A BEAUTIFUL START ATOP A FLASHING TAIL OF WHITE FLAME. A SLENDER SMOKE TRAIL TRACED THE COURSE AS THE 25-FOOT MISSILE BOLTED STRAIGHT UP AT BLAZING SPEED AND CURVED HIGH IN THE SKY.

AFTER ABOUT 50 SECONDS, THE FIRST STAGE BOOSTER ROCKET BROKE AWAY. THE SECOND STAGE IGNITED AS PLANNED AND SPED EASTWARD ON WHAT APPEARED TO BE THE SUCCESSFUL START OF AN 800-MILE FLIGHT OVER THE ATLANTIC OCEAN RANGE.

THE NAVY ANNOUNCED, HOWEVER, THAT AFTER 1 1/2 MINUTES OF FLIGHT THE MISSILE WAS DESTROYED WHEN IT BEGAN TO DRIFT OUTSIDE THE PRESCRIBED SAFETY LIMITS.

THE TROUBLE WAS CAUSED BY THE FAILURE OF ONE OF THE CONTROL SYSTEM UNITS TO OPERATE EFFICIENTLY.

DESPITE THE BLOWUP, LOCKHEED LAUNCHING CREWMEN AND THE NAVY APPEARED TO BE PLEASED WITH THE MISSILE'S SHORT LIVED PERFORMANCE. ONE OFFICIAL SAID A MAJORITY OF THE TEST OBJECTIVES, INCLUDING STRUCTURAL INTEGRITY AND PROPULSION, WERE ACCOMPLISHED.

THE POLARIS WAS SHOOTING ALONG AT ABOUT 5,000 MILES AN HOUR AT AN ALTITUDE OF ABOUT 200 MILES WHEN IT WAS EXPLODED.

ON THE FIRST ATTEMPT TO FIRE THE MISSILE WITH ITS NEW BOTTLE SHAPED DESIGN SEPT. 24 THE POLARIS EXPLODED HIGH OVER THE CAPE AND RAINED DEBRIS BACK ON THE LAUNCHING AREA AND NEARBY COCOA BEACH. ONE STAGE OF THE BROKEN ROCKET LANDED IN THE BANANA RIVER WHICH SEPARATES COCOA BEACH FROM THE MAINLAND.

THREE WEEKS LATER ANOTHER POLARIS WAS BLOWN UP AFTER A BRIEF, FIERY FLIGHT. A MALFUNCTION CAUSED THE SECOND STAGE TO IGNITE AND VEER OFF THE PAD IN CARTWHEEL SPINS WHILE THE FIRST STAGE CONTINUED TO FLARE ON THE LAUNCHING STAND. A RAGING BRUSH FIRE WAS STARTED BUT NO ONE WAS INJURED.

THE POLARIS FIRED TODAY WAS VERY SIMILAR TO THE OPERATIONAL VERSION OF THE SMALL BUT POWERFUL WAR WEAPON. WHEN READY, THE 28,000 POUND MISSILE WILL BE CAPABLE OF SHOOTING FROM DEEP IN THE OCEAN DEPTHS AGAINST A TARGET MORE THAN 1,700 MILES AWAY.

FIVE OF THE SPECIAL SUBS, WHICH WILL BE NAMED AFTER FAMOUS AMERICANS, ARE BEING BUILT AND FOUR ADDITIONAL ONES HAVE BEEN AUTHORIZED BY CONGRESS.

HO/RYS29PES

A22WX (BJT)
(400) AMS BUDGET

NIGHT LEAD IKE-CONGRESS

BY ED CREAGH
GETTYSBURG, PA., DEC. 30 (AP)-THE WHITE HOUSE PUT A NEW, BROADER LABEL TODAY ON THE PRESIDENT'S ANNUAL STATE OF THE UNION MESSAGE. IT SAID THE ADDRESS ALSO WOULD COVER "THE STATE OF THE WORLD." PRESS SECRETARY JAMES C. HAGERTY GAVE THIS DESCRIPTION IN ANNOUNCING PRESIDENT EISENHOWER WILL APPEAR BEFORE CONGRESS PERSONALLY JAN. 9 TO GIVE THE BROAD OUTLINES OF HIS LEGISLATIVE PROPOSALS AND TALK ABOUT NATIONAL AND INTERNATIONAL PROBLEMS IN GENERAL.

30.24- 5695

"THIS WILL BE A REVIEW AND A SUMMATION AND THE PRESIDENT'S DESCRIPTION OF NOT ONLY THE STATE OF THE UNION AS HE SEES IT, BUT ALSO THE STATE OF THE WORLD, AND WILL BE LIMITED TO SUBJECTS WHICH THE PRESIDENT CONSIDERS MOST IMPORTANT," HAGERTY TOLD A NEWS CONFERENCE.

IN PREPARING A DRAFT OF THE MESSAGE, EISENHOWER ARRANGED A MEETING AT HIS COUNTRY ESTATE HERE TOMORROW WITH HIS CHIEF AIDE, WILTON B. PERSONS, AND PRESIDENTIAL SPEECHWRITER MALCOM MOOS. THEY ARE DUE IN BY HELICOPTER IN THE MORNING IF WEATHER PERMITS.

HAGERTY SAID EISENHOWER HOPES TO KEEP THE LENGTH OF HIS ADDRESS DOWN TO 40 OR 45 MINUTES--ABOUT THE SAME TIME AS LAST YEAR'S, BUT SHORTER THAN MANY IN THE PAST. THE ANNUAL HOW-ARE-WE-DOING REPORT WILL BE CARRIED BY RADIO AND TV NETWORKS.

THE ADDRESS, HAGERTY SAID, WILL NOT BE "A MERE CATALOGUE OF PROGRAMS AND RECOMMENDATIONS."

DETAILED PROPOSALS OF WHAT THE PRESIDENT WANTS CONGRESS TO DO ARE TO COME LATER IN THE MESSAGE SPELLING OUT DETAILS OF EISENHOWER'S 77 BILLION DOLLAR BUDGET AND QUITE LIKELY IN A SERIES OF SPECIAL MESSAGES.

CONGRESS WILL CONVENE JAN. 7 WITH A HEAVY DEMOCRATIC MAJORITY MOSTLY DETERMINED TO SCREEN CAREFULLY WHATEVER PROPOSALS EISENHOWER MAKES.

HAGERTY SAID HE HOPED TO BE ABLE TO SAY IN A DAY OR TWO WHEN THE OTHER MAJOR REPORTS WILL GO UP TO CAPITOL HILL.

HE SAID THE ADMINISTRATION HAS NOT YET WORKED OUT ARRANGEMENTS FOR CONSULTATIONS WITH DEMOCRATIC AND REPUBLICAN LEADERS IN CONGRESS ON THE BUDGET RECOMMENDATIONS.

THE WHITE HOUSE SPOKESMAN SAID ALSO NO DECISION HAS BEEN REACHED ON A PROPOSAL TO CHANGE OPERATING METHODS OF THE EXECUTIVE OFFICE OF THE PRESIDENT, WHICH INCLUDES SUCH IMPORTANT UNITS AS THE BUDGET BUREAU.

A COMMITTEE HEADED BY NELSON A. ROCKEFELLER, GOVERNOR-ELECT OF NEW YORK, HAS RECOMMENDED SOME ORGANIZATIONAL CHANGES. ROCKEFELLER RESIGNED THE CHAIRMANSHIP OF THE GROUP YESTERDAY OWNING TO HIS NEW GUBERNATORIAL DUTIES.

GG313PES

END - DEC. 30, 1958